

## **An Overview of Shelby County's 2011 Annual Trending May 13, 2011**

The following steps were taken to conduct the 2011 annual trending in Shelby County:

### **Step 1: Calculation of New Land Values**

New land values were calculated for 2008. For residential property, land values were held constant through 2011, with the exception of a small number of neighborhoods. For commercial and industrial properties, land values generally stayed consistent between January 1, 2006 and March 1, 2010, and no updates were implemented.

### **Step 2: Calculation of New Residential Factors & Residential Studies**

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential at the township level. This study dictated which property classes required further analysis, stratification, reassessment or calculation of a new neighborhood factor. In some instances, especially in rural areas of Shelby County, the preliminary ratio study indicated that assessments were both accurate and uniform. In other neighborhoods, further review was required. This resulted in the calculation of new neighborhood factors a small number of neighborhoods.

### **Step 3: Updated Commercial & Industrial Improvement Values**

As a result of annual updating land values, cost tables, and depreciation for the past three years, and given the very small sample of sales for these class types in Shelby County, no further updating was done for 2011 trending. The sales that did occur when reviewed in the preliminary ratio study, met all IAAO ratio study statistical measures. As a result, no further action was taken. Additionally, further neighborhood delineation correction and land use allocations were reviewed and adjusted where necessary in the county.

**\*\*Please note that the period of time from which sales were used for this ratio study was from 1/1/2010 to 2/28/2011. Every attempt was made to ensure a representative sample for each property class. However, given the very low sales activity for vacant and improved industrial property, as well as vacant commercial property, in Shelby County, even going back to 2002, no additional sales data was yielded. Finally, the ratio study file contains a list of all valid sales that upon further review were found to actually be invalid, each listed at the bottom of the relevant worksheet tab in the ratio study.**